

**Town Council Minutes
Morehead City, North Carolina**

Tuesday, February 12, 2013

The Honorable Council of the Town of Morehead City met in Regular Session on Tuesday, February 12, 2013, at 5:30 p.m., in the Municipal Chambers located at 202 South 8th Street, Morehead City, North Carolina. Those in attendance were:

MAYOR:	Gerald A. Jones, Jr.
MAYOR PRO-TEM:	Harvey N. Walker, Jr.
COUNCIL:	George W. Ballou
	Bill Taylor
	Demus L. Thompson
	Diane C. Warrender
CITY MANAGER:	David S. Whitlow
CITY CLERK:	Jeanne M. Giblin
CITY ATTORNEY'S OFFICE:	Nelson W. Taylor, III, Derek Taylor, Mike Thomas
OTHERS:	Pete Gherini; Robert W. Stinet; Ruth Parker; Eric

Broyles; Keith Presley; Joe Mauro; Keith Henry; Beth Parker-Henry; Randall Parker; Johnette Grantham; Bill Dixon; Bernette Morris; Beth Lilly Nitt; John Grayson; Melvin Bright; Dana McQueen; Leigh Johnson; Carole Compton; Walter Kittrell; Chris Davies; Tom Kies; Dwayne Alligood; Haywood Daughtry; Jim Willard; Bubba Sanderson; Jeff Turnage; Merv Turnage; Ralph Nitt; Steve Koroll; Ed Bailey; Lillian Foley; Iva Fearing; Bryant Thompson; Ray Cox; Gail Cox; Jenny Swearingen; Brenda Davies; Maggie Chalk; Susan Lupton; James Roth; Garland Terry; Dwight E. Fulcher, Andrew Topp and several others

I. Regular Meeting Call to Order

Mayor Jones opened the meeting at 5:30 p.m., Councilman Thompson gave the invocation and all joined in The Pledge of Allegiance.

II. Special Presentation: Resolution 2013-08 in Appreciation to Lt. James Willard upon his Retirement from the Morehead City Police Department

Lieutenant James H. Willard retired from the Morehead City Police Department on January 1, 2013, with almost 32 years of service to the citizens of North Carolina. Lt. Willard worked previously with the Atlantic Beach North Carolina Police Department and he brought a great deal of knowledge and experience when he began his career with the Town of Morehead City on October 16, 2007, as Master Police Officer II. The Town of Morehead City extended best wishes to him for many more happy and productive years in his future. Mayor Jones presented him with the Resolution of Retirement.

III. Adoption of the CONSENT AGENDA:

Councilman Taylor requested that Items III.N., III.O., and III.P. be removed from the CONSENT AGENDA and placed under Item IV. New Business.

Mayor Jones requested that Item III.L. be removed from the AGENDA as the North Carolina Seafood Festival [NCSF] has determined that they will not require or request temporary street closings in order to have their Bites and Blues fundraising event, thereby not requiring a Resolution.

The Council concurred with these actions.

**III.A. Approval of Minutes: Monday, January 7, 2013, Regular Meeting
Tuesday, January 29, 2013, Special Meeting**

Approved the minutes of Monday, January 7, 2013, Regular Meeting and Tuesday, January 29, 2013, Special Meeting and dispensed with the reading.

III.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for January 2013, in the amount of \$2, 127.50; and Accept the Finance Director and Tax Collector Reports for January 2013

Approved the requests for release of overpayment of ad valorem taxes for January 2013, in the amount of \$2,127.50; and accepted the Finance Director and Tax Collector Reports for January 2013.

III.C. Submittal of 2012 Delinquent Real Estate and Personal Property Tax Lists as per G.S. 105-369[a] including Interest Due and Authorize Tax Collector to Post and Advertise the 2012 Delinquent Tax List

Approved the submittal of 2012 Delinquent Real Estate and Personal Property Tax lists as per G.S. 105-369[a] including interest due and authorized the Tax Collector to post and advertise the 2012 Delinquent Tax List. [The 2012 Delinquent Real Estate and Personal Property Tax Lists and the Authorization to post and advertise the 2012 Delinquent Tax List are attached to these minutes and incorporated herein by reference.]

III.D. Adopt FY2013/2014 Preliminary Budget Calendar

Adopted the FY2013/2014 Preliminary Budget Calendar as presented.

III.E. Adopt Resolution of Sympathy 2013-04 in Remembrance of Former Senator Jean Rouse Preston

Former Senator Jean Rouse Preston passed away unexpectedly on January 10th. She was first elected to the North Carolina General Assembly as a Member of the House of Representatives in 1992, and served for seven [7] terms representing Carteret, Jones and Onslow Counties before being elected in 2007, to the State Senate serving Carteret, Craven and Pamlico Counties. The citizens of Eastern North Carolina have lost an honored and respected citizen who worked tirelessly for the good of all.

Adopted Resolution of Sympathy 2013-04 in Remembrance of former Senator Jean Rouse Preston. [Resolution 2013-04 is attached to these minutes and incorporated herein by reference.]

III.F. Request for a Certificate of Convenience and Necessity [Limousine Franchise] for Tracy Moore of 603 Bridges Street, Morehead City – Call for a Public Hearing on Tuesday, March 12, 2013, at 5:30 p.m.

The application is for a limousine service in Morehead City. Tracy Moore, the owner of Diamond Limousine Services, has been in business for many years. The City Code provides that a Limousine Service Certificate of Convenience and Necessity be granted for two [2] years. The process of obtaining such a certificate must pass two [2] readings before the City Council. This is the first of those readings with the public hearing being set for Tuesday, March 12, 2013 at 5:30 p.m., in the Municipal Chambers.

Set the public hearing on the request for a Certificate of Convenience and Necessity [Limousine Service] for Tracy Moore of 603 Bridges Street, Morehead City on Tuesday, March 12, 2013, at 5:30 p.m., in the Municipal Chambers at 202 South 8th Street, Morehead City.

III.G. Adopt Ordinance 2013-07 Amending the Code of Ordinances, Chapter 6, Article III, Fire Prevention Code, by Adding Section 6-64, General Penalty; Enforcement of Ordinances, Continuing Violations

The Morehead City Fire/EMS Department in an attempt to provide greater safety and protection for residents wishes to impose penalties for fire code and life safety violations. The present City ordinance does not address the application of such penalties and the ability of the Fire Department to remedy continuing violations. The Public Safety Committee of the Council reviewed the proposed ordinance and recommended adoption.

Adopted Ordinance 2013-07 Amending the Code of Ordinances, Chapter 6, Article III, Fire Prevention Code, by Adding Section 6-64, General Penalty; Enforcement of Ordinances, Continuing Violations. [Ordinance 2013-07 is attached to Ordinance Book #7 in the vault.

III.H. Adopt Ordinance 2013-08 Amending the Code of Ordinances, Chapter 6, Fire Prevention and Protection, by Adding Section 6-65 Rapid Entry Key Box System

In an effort to gain entry into certain structures during emergency service calls, the Morehead City Fire/EMS Department desires to add a section to the Code of Ordinances regarding the rapid entry key box system. The key lock box system is being adopted nationally and will operate on a master key basis that will expedite entry into a structure during an emergency thereby eliminating the need for forced entries and eliminate the large quantity of keys presently kept on fire apparatus. The key lock box would be installed on the exterior of the individual structures.

The proposed ordinance also addresses a waiver and indemnity agreement [copy attached] which under certain circumstances would be necessary if the business or property does not participate in the rapid entry key box system. The Public Safety Committee of the Council reviewed the proposed ordinance and waiver, and recommended adoption.

Adopted Ordinance 2013-08 Amending the Code of Ordinances, Chapter 6, Fire Prevention and Protection, by Adding Section 6-65 Rapid Entry Key Box System. [Ordinance 2013-08 is attached to Ordinance Book #7 in the vault.]

III.I. Adopt Ordinance 2013-09 Amending the Code of Ordinances, Chapter 16, Water and Sewer, Article I, In General, Section 16-13, Impact Fees

The Town's ordinance controlling impact fees for water and sewer allows for a credit to be given when the redevelopment of a site involves the demolition of an existing building on which impact fees were already charged, subject only to the demolition and new construction being completed within a five [5] year period. This credit is currently limited to only that new construction that occurs on the same site.

When the first phase of East Coast Square was developed, there was a demolition and a credit generated that was not fully utilized for the new construction. When the application for phase 2 was presented, the credit was carried forward by the City Manager to the second phase even though the second phase was not on the same site but instead on an adjacent site. When phase 3 was submitted, the developer asked for the remaining credit to be rolled forward from phase 2.

The developer has now indicated the intention to develop a phase 4 that also involves demolition and would like consideration to again consolidate the credits on different adjacent sites to reduce the impact fees.

The Public Utilities Committee of the Council reviewed the existing policy and recommended that the ordinance be amended as presented to allow for credits to be carried forward on adjacent sites in order to support economic development.

Adopted Ordinance 2013-09 Amending the Code of Ordinances, Chapter 16, Water and Sewer, Article I, In General, Section 16-13, Impact Fees. [Ordinance 2013-09 is attached to Ordinance Book #7 in the vault.]

III.J. Adopt Resolution 2013-05 Endorsing the "Alive at Five" Events and Authorizing Action Necessary for the Event to be held May 3, June 7, June 20, July 5, July 18, August 2 and August 30, 2013

The Downtown Morehead City Revitalization Association [DMCRA], with the support of several downtown businesses, in an effort to attract more people to downtown Morehead City, proposed the continuation of the "Alive at Five" concert series in Katherine Davis Park. The concerts are to be held on May 3rd, June 7th, June 20th, July 5th, July 18th, August 2nd and August 30th, 2013, from 5:00 p.m. to 8:30 p.m. The event is to bring family entertainment to this area and to sell beverages in a defined area in accordance with all state, county and municipal laws with the proceeds used to fund the event. The DMCRA will be solely responsible for any state permits required. This is the third year for the concert series which has been very successful. The DMCRA is requesting the use of

Katherine Davis Park and ancillary services. The Public Works Committee of the Council reviewed the request and recommended approval.

Adopted Resolution 2013-05 Endorsing the “Alive at Five” Events and Authorizing Action Necessary for the Event to be held May 3, June 7, June 20, July 5, July 18, August 2 and August 30, 2013. [Resolution 2013-05 is attached to these minutes and incorporated herein by reference.]

III.K. Adopt Resolution 2013-06 Endorsing the Fifth Annual Crystal Coast Boat Show and Authorizing Action Necessary for the Event to be held May 17, 18 & 19, 2013

The Downtown Morehead City Revitalization Association [DMCRA] requested the use of Jaycee Park and the adjacent riparian area and docks, Katherine Davis Park, the 6th Street riparian area day docks, the Train Depot, Sugarloaf Island and other ancillary areas and services to hold the Fifth Annual Crystal Coast Boat Show on May 17, 18, & 19, 2013. The event includes an in-water and land boat and yacht show, family oriented educational programs, an art show and associated gala events. The show promotes Morehead City and raises money in support of downtown revitalization efforts and worthwhile community projects within the township. The Public Works Committee of the Council reviewed the request and recommended approval.

Adopted Resolution 2013-05 Endorsing the Sixth Annual Crystal Coast Boat Show and Authorizing Action Necessary for the Event to be held May 17, 18 & 19, 2013, on the Morehead City Waterfront. [Resolution 2013-05 is attached to these minutes and incorporated herein by reference.]

III.L. Adopt Resolution 2013-07 Endorsing the North Carolina Seafood Festival’s [NCSF] Bites and Blues Fundraising Event and Authorizing Action Necessary for the Event to be held on Saturday, March 2, 2013 – Withdrawn at the request of the applicant

The North Carolina Seafood Festival [NCSF] has requested the temporary closing of certain streets on the Morehead City Waterfront on Saturday, March 2, 2013, and ancillary services in order to present Bites and Blues Fundraising Event. This event is the kickoff to “Toast To The Coast” Restaurant Week held throughout Carteret County. Proceeds for the event will benefit the scholarship fund established by the Festival. The Public Works Committee of the Council reviewed the request. However, the applicant has withdrawn the request to temporarily close the streets for the event, therefore, no formal resolution or action is necessary.

III.M. Adopt Resolution of Retirement 2013-08 in Appreciation to James H. Willard upon his Retirement from the Morehead City Police Department on January 1, 2013

Adopted Resolution of Retirement 2013-08 in Appreciation to James H. Willard upon his Retirement from the Morehead City Police Department on January 1, 2013. [Resolution of Retirement 2013-08 is attached to these minutes and incorporated herein by reference.]

III.N. Adopt Budget Ordinance Amendment 2013-10 Transferring Funds from the General Fund to the Jib Waterfront Access Capital Project Fund and the Baseball Park Capital Project Fund; Adopt Budget Ordinance Amendment 2013-11 to Increase the Jib Property Waterfront Access Grant Project Fund; and Adopt Budget Ordinance Amendment 2013-12 to Increase the Baseball Park Grant Project Fund – Removed from the CONSENT AGENDA and placed Under Item IV. New Business

III.O. Award of Contract for the Baseball Concession/Restroom Facility to the Low Bidder, Lawrence General Contractor, Inc., in the amount of \$269,900 – Removed from the CONSENT AGENDA and placed under Item IV. New Business

III.P. Award of Contract for the Jib Property Waterfront Access Bid to the Low

**Bidder, Daniels & Daniels Construction Company, Inc., of Goldsboro, N.C.
In the amount of \$630,000 – Removed from the CONSENT AGENDA and placed under Item IV. New Business**

Councilman Ballou MOVED, seconded by Councilman Thompson, and carried unanimously to Adopt the CONSENT AGENDA in one [1] motion with the exception of Items III.N., III.O. and III.P.

IV.A. New Business: Update on the North Carolina Department of Transportation [NCDOT] Median Project Along Highway #70 in Morehead City -- Wayne Alligood, Haywood Daughtry [NCDOT] Representatives; Andrew Topp, Representative from Martin Alexiou Bryson Engineers

Mayor Jones stated that the purpose of the proceedings was to brief the full Council on the findings and final recommendations of the Median Oversight Committee. The Council will then be able to question the engineers present. Mayor Jones stated that he had not formed or taken any official position on the project. He continued that after the presentation and questions from the Council, the floor will be opened to the public for questions.

Councilman Ballou questioned that in the agenda under “Recommended Action”, it stated that “No action will be taken”. He questioned the meaning of that on the agenda and will action be taken at the end of the presentation.

Mayor Jones explained that at present it is not scheduled for the Council to vote on the issue.

Councilman Walker questioned can that be changed?

Mayor Jones replied that the Council could do whatever it wished with regard to the “recommended action”.

City Manager Whitlow gave a brief description of the process and the three [3] alternatives which were recommended. He spoke about the Median Oversight Committee which oversaw the process of the requested additional study.

Andrew Topp, the engineer representative from Martin Alexiou Bryson Engineers, the consulting firm which was hired by the North Carolina Department of Transportation to do an additional study of the proposed median project in Morehead City, made a presentation. He spoke about the process of the study including walking the site, counting egress and ingress areas and reviewed the many ways to improve safety along the stretch. He stated that the main concerns were traffic and congestion and that the study reviewed the midday time period in addition to morning and evening commuter peak traffic times. He stated that the recent speed reduction has curbed some of the accidents. He continued that the engineering firm mapped out the 377 traffic accidents which have occurred to get a feel for the type and area of the collisions. The firm looked at lower cost enhancements such as additional signal heads and higher cost enhancements such as the median. He advised that the Median Oversight Committee voted in favor of the 2B option.

Councilwoman Warrender questioned the study of traffic accidents after the recent reduction in the speed limit.

Andrew Topp replied that the accident rate was reduced from 185 to 165 and the data covered the period from the start of the 35 mph speed limit into December 2012. From the initial review of the data there was a slight reduction in crashes, however, the study was not an in-depth study.

Councilman Taylor stated he had looked at other figures presented and asked for an explanation.

Andrew Topp replied that 377 is the number of actual crashes, 185 is a rate [crashes per unit of exposure]. He explained that the length of time of the study which included the recent speed reduction was not enough to make a statistical variance determination.

Councilwoman Warrender commented that according to the study there are 28,000 vehicles on Arendell Street every day. She suggested that the NCDOT should consider bypasses around Morehead City to eliminate traffic congestion and ease access to the port. She also commented that the study proposes that four [4] more traffic lights in 2.7 miles should be added.

Andrew Topp explained these traffic signals refer to partial lights [only one lane would have the light]. The recommendation is not to add those type traffic signals such as found at the Highway 24/Highway 70 intersection.

Councilwoman Warrender pointed out that in front of the Fire/EMS Department on Arendell Street there is a mountable median to allow the fire truck to make turns. She was concerned if there was an accident with subsequent traffic backup how could the fire truck get to the accident?

Haywood Daughtry [NCDOT Representative] replied that the median will be wide enough for an emergency vehicle to ride.

Councilwoman Warrender was concerned about the “shoulder” tourist season and construction delays when the project is slated to start on Labor Day and finish by Memorial Day.

Dwayne Alligood [NCDOT Representative] replied that the NCDOT would do all possible to minimize the time for construction and coordinate schedules with the City. Restrictions could be placed on work times such as night time construction. These considerations would be stated in the contract.

Councilman Ballou commented that the economic impact studies presented were done out of state, why did the economic information not include Havelock, N.C. where a median project was just recently completed.

Dwayne Alligood replied that a study done in North Carolina was also part of the information presented. The median project in Havelock was completed too recently to have a study done. He continued that the information presented from the study in North Carolina and other places show that the perceived economic impacts are considerably worse than the reality.

Councilman Taylor questioned the study and the “one location” term which was used.

Dwayne Alligood replied that the “one location” term refers to a Mom or Pop operation that was not well known.

Councilman Walker commented that in his estimation this project was not a “done deal”.

Dwayne Alligood replied that there is a known crash problem on Arendell Street, however, there is no clear consensus on how to prevent them.

Councilman Walker commented that a lot of people do not want this project the way the NCDOT is presenting it. He asked if the citizens or the City could do anything if none of the options presented were desired. He asked if the City could negotiate another option. He stated that, “no option was not an option.”

Dwayne Alligood explained that at some point the NCDOT will need to take action. There are accidents happening in the proposed project area and NCDOT has an identifiable project to prevent them.

Councilman Thompson commented that he wanted fairness to everyone in this community and fairness to everyone who makes a living. He spoke about other areas of the county which are in need of highway updating and also questioned that Kinston too could use a median. He wanted the local citizens to be treated in the same manner as other places. He commented that engineers can justify any answer they want. He felt that

the studies have not been done to justify this project. He asked about channeling some of the traffic to Bridges Street, and stated that there is no signage to use Bridges Street instead of Arendell Street when traffic comes off the Morehead City/Atlantic Beach Bridge.

Haywood Daughtry spoke about the economics which were detailed in a study done in North Carolina. He explained that there is a period after the completion of a project to investigate if safety issues have improved. He spoke about a road in Fayetteville which was similar to Arendell Street in Morehead City in terms of types of crashes. There were 258 per year on this road in Fayetteville, six [6] months after the end of construction improvements, the data showed 68 crashes, which equates to 136 crashes per year, or about 47% less than previously experienced.

Councilman Walker commented that although he appreciated the statistics, it was not Morehead City.

With no further questions from the Council, Mayor Jones opened the questioning to the public.

A citizen wanted to know how many head-on wrecks happened in the subject area in the past five [5] years and why Morehead City was chosen for the project when other places more desperately needed improvements?

Andrew Topp replied that he could not answer to a specific reference maybe a dozen or so head-on collisions in five [5] years.

Haywood Daughtry explained that the US 70 Highway Corridor Commission did studies, had meetings over a couple of years and did a blueprint for improvements along the entire Highway 70 corridor. He spoke about a meeting in 2007 where places which did not have medians were reviewed for safety issues. The Regional NCDOT Traffic office took a look at getting safety funds to do some of the suggested projects. He continued that former City Manager Randy Martin requested the NCDOT look at Morehead City to try to get traffic from Raleigh to Morehead City as quickly and safely as possible. In 2008, safety improvements in this area were deemed as a high enough priority to get funding.

A citizen questioned, how many fatalities have occurred? She answered, none. She did not understand the need for this project.

Haywood Daughtry stated that the state has the opportunity to reduce the amount of crashes in the subject area. The NCDOT has estimated a minimum of 26 less crashes per year. The state has a mandate to prevent people from being hurt and property damaged.

A question arose on how to mitigate people who don't know how to drive.

A citizen stated they have to burn an extra gallon of gas having to turn around in Havelock now that the median project is completed.

Mike Lawrence stated that a NCDOT statistic stated that the project could prevent 90 percent of the accidents? He continued that the NCDOT has backed off from expounding that statistic. He continued that the people of Morehead City want safety but no one else should make the decision for us and we want to keep our City the way it is.

Ed Baily stated that the data presented does not agree with some of the material which is relevant today. He stated that Morehead City was under the average for crashes in the United States. He further commented that no one has died.

Andrew Topp explained that there have been changes in the design each time the Median Oversight Committee has met. The report has not been completed and finalized.

Iva Fearing stated that the representatives from NCDOT were just trying to do their job. In her estimation the proposals presented require too many stoplights. She also continued that speed is still a factor in that vicinity as most people still speed.

Chris Davis spoke about the need to reduce the traffic pressure that is on Highway 70. He felt that the speed limit reduction was a good thing and felt that there was enough

time given for the speed limit to show effects. He spoke about the proposed improvements to Highway 101 which will take some of the traffic pressure off Highway 70. He felt that businesses would lose money because of no left turns and having to cross at a median crossing.

Sally Lumpkin stated that it was her impression that the majority were not in favor of this project. She questioned if there was a process whereby the citizens can say no to this project. She spoke about her street and the concern that traffic may be placed in her residential neighborhood if the median project caused too many inconveniences for motorists.

Melvin Bright commented that the citizens can stop the project and he distributed a copy of House Bill 561. He continued that some of the information in the newspapers regarding the research and data is suspect. He mentioned the study from Morehead City Police Chief Johnson regarding accidents. He spoke about the suspect validity of some of the information provided by the NCDOT and asked that the Council request the information from those accidents.

Eric Broyles stated there will be more accidents because of motorists having to do a right turn and then a u-turn. He felt that most of the accidents were the result of reckless and careless driving. He requested more police presence on Arendell Street. He also stated that a median should be equipped with reflectors.

Andrew Topp commented there will be less conflict points with the right turn and u-turn. Those areas in Morehead City which currently have medians have lesser accidents than those areas without and still have viable businesses.

Jeff Turnage felt that the NCDOT should place rumble medians which are cheaper and do slow motorists down.

A citizen questioned Mayor Jones on how many hours he spent on committees and in meetings regarding this project.

Mayor Jones replied that he has spent time attending workshops, NCDOT meetings, Committee meetings, etc.

Another citizen had concerns about the statistics presented and stated that little businesses are what keep areas going. He stated that more emphasis should be placed on the small business owner and their economic impact with regard to the median project.

The NCDOT representatives replied that there was a heavy emphasis on the economic impact of the median project in the course of doing these studies.

A citizen questioned why was there not more emphasis on getting traffic off Arendell Street and onto Bridges street.

Andrew Topp spoke about the placement of the railroad tracks in Morehead City which hinder the ease of access in certain vicinities.

With no further questions from the public, Mayor Jones closed the public comments period. He thanked the members of the Median Oversight Committee and read the following statement.

“On behalf of the entire Council, I thank Dwayne Alligood and Haywood Daughtry from the NCDOT, and Andrew Topp and Lyle Overcash from Martin Alexiou Bryson for their efforts in this project. They have given us much to consider. I also thank those members of the Median Committee who worked over these past months to consider the information being prepared and to provide advice and guidance to the study team and to the City Council.

Consideration of a matter such as this is complex and something that governing bodies do not take lightly. Many factors come into the process and many hours are spent in information gathering, pondering alternatives and trying to balance what is in the best interest of the entire community.

Two of the primary charges to governing bodies are the protection of the public health and safety. The recommendations of this study provide opportunities to do just that – reduce the possibility of serious accidents, making travel on Arendell Street safer. Of the three options provided, the committee recommended option 2B as the preferred plan on public health and safety.

However, there is a third charge to governing bodies....and that is to consider the public welfare. The impacts of this project on local business activity during construction and post construction are unknown. Given the difficult times experienced over the last several years, we must carefully consider whether a project of any type would damage or constrain the recovery of our local economy in its fragile condition, reducing jobs, incomes and the general prosperity of the community.

I have given this matter much thought over the past months and have concluded that, although the recommendations of this study do present improvements in the area of public safety....I cannot say that they conclusively protect the broader concept of the public welfare. This may not be the right project at this time.

For this reason, I will entertain a motion from the Council that we cannot support any of the proposed options at this time.”

Councilman Thompson MOVED, seconded by Councilman Taylor, and carried unanimously, to state that the Council at this time does not support or accept any of the proposed options which were presented.

IV. New Business:

CONSENT AGENDA Items III.N., III.O. and III.P. were removed from the CONSENT AGENDA upon the request of Councilman Taylor and placed under New Business.

Councilman Taylor MOVED, seconded by Councilwoman Warrender, to discuss CONSENT AGENDA Items III.N., III.O. and III.P. at the Council Retreat to be held on Friday Afternoon, February 22 and Saturday, February 23.

Before the MOTION received a vote, Mayor Jones reported that with regard to those items of business, new information had been received after the Finance and Administration Committee of the Council Meeting which may impact the decisions of the Council.

City Manager Whitlow explained that Finance Director Sewell had contacted him advising that she had already encumbered \$552,000 of the amount that was required for the projects which therefore means that the Unrestricted Fund Balance would not fall beneath the \$2M limit which the Council had self-imposed. He further explained that if the Council should wish to move ahead with the Jib and Baseball Concession projects, it would bring the Fund Balance to \$1,985,247. However, subsequent to the distribution of the AGENDA, there have been further developments with the Jib project. Therefore, it is recommended not to act on the Jib project at this time, but that the Council act on the O’Neal Baseball Field Concession Building project.

Councilman Taylor stated he was satisfied with the explanation and with the remaining money in the Fund Balance.

The Council agreed by consensus to remove the items regarding the Jib Project from the agenda.

The meeting continued.

IV.B. New Business: Award of Contract for the Baseball Concession/Restroom Facility to the Low Bidder, Lawrence General Contractor, Inc., in the amount of \$269,900

On February 5, 2013 the City rebid the concession/restroom project. The Council will recall that the original low bidder was allowed to withdraw the bid due to an omission of materials that substantially reduced the contractors bid.

On February 5th, seven [7] bids were received as denoted with the lowest of bids being submitted by Jerry Lawrence General Contractor, Inc. in the amount of \$269,900. The low bid has been reviewed and follow up with Mr. Lawrence has occurred who has assured his pricing is good.

BID TAB
Big Rock Stadium Concession Stand

Jerry Lawrence General Contractor, Inc.	\$269,900.00
Waters & Associates, Inc.	\$271,950.00
Norstate Contracting, Inc.	\$277,400.00
Bruin Builders	\$280,413.00
Golden Building Corp.	\$298,500.00
United Builders Group, LLC	\$302,800.00
Thomas Simpson Construction	\$303,000.00

City Staff recommends that the Big Rock Stadium Concession/Restroom project be awarded to Jerry Lawrence General Contractor, Inc., in the amount of \$269,000. The Public Works Committee of the Council will review the bids on Monday, February 11th.

Councilwoman Warrender MOVED, seconded by Councilman Ballou, and carried unanimously, to award the contract for the Baseball Concession/Restroom Facility to the Low Bidder, Lawrence General Contractor, Inc., in the amount of \$269,900.

IV.C. New Business: Award of Contract for the Jib Property Waterfront Access Bid to the Low Bidder, Daniels & Daniels Construction Company, Inc., of Goldsboro, N.C. in the amount of \$630,000

On January 30, 2013, the City bid the Jib Plaza project. Work included is the removal and replacement of the Shepard Street section adjacent to the Jib property, construction of a fountain with associated piping, wiring and controls, a receiver for the Marlin statue and landscaping.

Four [4] bids were received with the lowest of bids being submitted by Daniels & Daniels Construction Co., Inc. of Goldsboro, NC in the amount of \$630,000. A copy of the bid tab is attached. For your information various alternates were presented for pricing. The alternates are as follows:

Alternate No. G-1	Removal of street related asphalt removal and replacement with concrete pavers
Alternate No. G-2	Expense to engrave winner's plaques
Alternate No. G-3	Expense to demo existing dock on the Swanson property lease
Alternate No. G-4	Expense to utilize an alternate granite product. (Pricing has been determined to be in error.)
Alternate No. G-5	Expense to utilize an alternate granite product. (Pricing has been determined to be in error.)
Alternate No. G-6	Expense to utilize an alternate granite product. (Pricing has been determined to be in error.)

The architect is working with the low bid contractor to determine accurate pricing for Alternate No. G-4 through G-6 for the benefit of Big Rock in their assessment of the fountain finishes and appearance. There is no recommendation for accepting any alternates for the City's award. The Public Works Committee of the Council reviewed the bids at their meeting on Monday, February 11th, but made no recommendation.

This item was removed from the AGENDA and the accompanying Budget Ordinance Amendment 2013-11 by consensus of the Council.

IV.D. New Business: Adopt Budget Ordinance Amendment 2013-10 Transferring Funds from the General Fund to the Jib Waterfront Access Capital Project Fund and the Baseball Park Capital Project Fund; Adopt Budget Ordinance Amendment 2013-11 to Increase the Jib Property Waterfront Access Grant Project Fund; and Adopt Budget Ordinance Amendment 2013-12 to Increase the Baseball Park Grant Project Fund

The purpose of Budget Ordinance Amendment 2013-10 is to appropriate \$322,950 and transfer the same amount to the Baseball Park Capital Project Fund for the construction of restroom/concession facilities, related items and security expenditures.

The purpose of Budget Ordinance Amendment 2013-11 is to increase the budget for an additional transfer from the General Fund to the Jib Property Waterfront Access Grant Project Fund to increase expenditures for Phase I of the project. **As the Council concurred not to act on the Jib Project at this time, this Budget Ordinance Amendment was removed from the AGENDA.**

The purpose of Budget Ordinance Amendment 2013-12 is to increase the budget for an additional transfer from the General Fund to the Baseball Park Grant Project Fund for construction of restroom/concession facilities and related expenses.

Councilman Taylor MOVED, seconded by Councilwoman Warrender, and carried unanimously, to adopt Budget Ordinance Amendment 2013-10 Transferring Funds from the General Fund to the Baseball Park Capital Project Fund; and Adopt Budget Ordinance Amendment 2013-12 to Increase the Baseball Park Grant Project Fund. [Budget Ordinance Amendments 2013-10 and 2013-12 are attached to Ordinance Book #7 in the vault.]

VI. Citizen Requests/Comments: [2 minute time limit]: There were no citizen requests/comments.

VII. City Manager's Report: Support the North Carolina League of Municipalities [NCLM] Effort to Advocate for Rate Concessions during the Progress Energy/Duke Power Rate Increase Case

City Manager Whitlow explained that the power companies which provide service to North Carolina are seeking significant increases in base loads rates. The League has been requested to organize a joint action program for cities to band together to advocate for rate concessions during the rate cases. The League has solicited bids from law firms with qualified utility law practices and has narrowed and priced the scope of work to what is reasonably needed for a successful intervention to obtain reductions from the proposed increases. The League is requesting cities to support the effort financially, which for the size/population and uses of power, Morehead City would be a suggested \$500, and to assist in moving the effort forward. The Finance Committee of the Council recommended participating in this program and to support the effort in the amount of \$500.

The Council approved supporting the North Carolina League of Municipalities [NCLM] effort to advocate for rate concessions during the Progress Energy/Duke Power rate increase and to financially support the effort in the amount of \$500.

City Manager Whitlow announced that the Council and key City Staff will meet in a Retreat Session on Friday, February 22, 2013 at 1:00 p.m., and Saturday, February 23, 2013 at 8:00 a.m., in the Webb Library located at 712 Evans Street, Morehead City, North Carolina.

VIII. Council Requests/Comments

IX. Adjourn

There being no further business, the meeting was adjourned at 8:25 p.m.

Gerald A. Jones, Jr., Mayor

Attest:

Jeanne M. Giblin, City Clerk